COMMITTEE ON FINANCIAL SERVICES SUBCOMMITTEES: CAPITAL MARKETS, INSURANCE, AND GOVERNMENT SPONSORED ENTERPRISES HOUSING AND COMMUNITY OPPORTUNITY

COMMITTEE ON HOMELAND SECURITY SUBCOMMITTEES: TRANSPORTATION SECURITY AND INFRASTRUCTURE PROTECTION INTELLIGENCE, INFORMATION SHARING AND TERRORISM RISK ASSESSMENT



## James A. Himes Congress of the United States 4th District, Connecticut

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April 6, 2011

Sample Title Line Sample Organization Line 1 Sample Organization Line 2 Sample Address Line 1 Sample Address Line 2 Sample City, DC 12345

Dear Mayor/First Selectman \_\_\_\_\_

As you probably know from the news reports, it unfortunately appears increasingly likely that the federal government will experience a "shutdown" starting midnight Friday. It has been disheartening to watch the failure to reach the kind of bipartisan agreement that so many of our constituents want.

I suspect that you and your office will receive inquiries about exactly what a federal government shutdown would entail. I am writing to try to provide some clarity in that regard, though I will note that there is still considerable uncertainty about what may and may not be affected.

By way of background, the federal government is currently operating under a Continuing Resolution that provides funding through April 8, 2011. Absent congressional action to extend funding authority for the remainder of the 2011 fiscal year, there will be a federal funding gap for all federal agencies. When these funding gaps occur, the federal government begins a "shutdown," which is managed under guidance provided in the Office of Management and Budget's (OMB) Circular No. A-11.

The circular identifies an immediate shutdown effect – furlough of certain federal employees – and directs agency heads to develop and maintain shutdown plans that include so-called "excepted" activities that will continue even during a funding gap. Unfortunately, the Administration has not made these shutdown plans public, thus it is difficult to ascertain the practical effects of a shutdown later this year.

Most importantly, activities that are deemed "essential" will continue. This will include anything related to the preservation of life and property such as our military, intelligence and security activities, air traffic control, law enforcement, border patrol, the functions of the federal court system, and the provision of critical health benefits through the Medicare, Medicaid, and VA systems. It is not anticipated that there will be any interruption in mail delivery or the delivery of Social Security monies.

Although the effects on the public of any future shutdown would not necessarily reflect past experience, past events may be illustrative of effects that are possible.

Examples reported in congressional hearings, news media, and agency accounts include:

- **Health.** New patients were not accepted into clinical research at the National Institutes of Health (NIH) clinical center; the Centers for Disease Control and Prevention ceased disease surveillance; and hotline calls to NIH concerning diseases were not answered.
- Law Enforcement and Public Safety. Delays occurred in the processing of alcohol, tobacco, firearms, and explosives applications by the Bureau of Alcohol, Tobacco, and Firearms; work on more than 3,500 bankruptcy cases reportedly was suspended; cancellation of the recruitment and testing of federal law-enforcement officials reportedly occurred, including the hiring of 400 border patrol agents; and delinquent child-support cases were delayed.
- Parks, Museums, and Monuments. Closure of 368 National Park Service sites (loss of 7 million visitors) reportedly occurred, with loss of tourism revenues to local communities; and closure of national museums and monuments (reportedly with an estimated loss of 2 million visitors) occurred.
- **Visas and Passports.** Approximately 20,000-30,000 applications by foreigners for visas reportedly went unprocessed each day; 200,000 U.S. applications for passports reportedly went unprocessed; and U.S. tourist industries and airlines reportedly sustained millions of dollars in losses.
- American Veterans. Multiple services were curtailed, ranging from health and welfare to finance and travel.
- **Federal Contractors.** Of \$18 billion in Washington, DC, area contracts, \$3.7 billion (over 20%) reportedly were affected adversely by the funding lapse; the National Institute of Standards and Technology (NIST) was unable to issue a new standard for lights and lamps that was scheduled to be effective January 1, 1996, possibly resulting in delayed product delivery and lost sales; and employees of federal contractors reportedly were furloughed without pay.<sup>ii</sup>

As the *Washington Post* concluded, however, "much has changed since the 1990s. Most federal benefits are now directly deposited, many veterans' [sic] services are on multi-year budgets not impacted by the current stalemate, and the Obama administration may interpret essential services differently than their predecessors."

Given the uncertainty surrounding whether the Congress and Administration can agree to a deal averting a shutdown, as well as uncertainty surrounding how *this* Administration might handle a shutdown, I invite each of you to stay in close contact with me and my office in the coming days.

Sincerely,

James A. Himes Member of Congress

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<sup>&</sup>lt;sup>i</sup> U.S. Executive Office of the President, Office of Management and Budget, *Circular No. A-11: Preparation, Submission, and Execution of the Budget*, July 2010, Section 124, at <a href="http://www.whitehouse.gov/omb/circulars-all\_tor.">http://www.whitehouse.gov/omb/circulars-all\_tor.</a>

ii Congressional Research Service, "Shutdown of the Federal Government: Causes, Processes, and Effects," March 11, 2011.